

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE SERVICES
Before the Commissioner of Financial and Insurance Services

In the matter of

XXXXX

Petitioner

File No. 86557-001-SF

v

Blue Cross Blue Shield of Michigan
Respondent

Issued and entered
This 23rd day of January 2008
by Ken Ross
Acting Commissioner

ORDER

I

PROCEDURAL BACKGROUND

On December 3, 2007, XXXXX (Petitioner) filed a request for external review with the Commissioner of Financial and Insurance Services under Public Act No. 495 of 2006, MCL550.1951 *et seq.* The Commissioner reviewed the material submitted and accepted the request on August 20, 2007. As required by section 2(2) of Act 495, the Commissioner conducts this external review according to the provisions of the Patient's Right to Independent Review Act (PRIRA), MCL 550.1901 *et seq.*

The Commissioner assigned the case to an independent review organization (IRO) because the case involved medical issues. The IRO provided its analysis and recommendation to the Commissioner on December 26, 2007.

II

FACTUAL BACKGROUND

The Petitioner receives health care benefits from Blue Cross and Blue Shield of Michigan

(BCBSM) through the Michigan Public School Employees Retirement System (MPERS), a self-funded group. Her coverage is defined in the MPERS “Your Benefit Guide” (the benefit guide).

The Petitioner received molecular diagnostic testing services (molecule nucleic amplification test) on March 22, 2007, from XXXXX. The amount charged for this service was \$418.00. BCBSM denied payment because it believes the test was not medically necessary.

The Petitioner appealed BCBSM's denial of coverage. After a managerial-level conference on September 25, 2007, BCBSM maintained its denial and issued a final adverse determination dated October 8, 2007.

III ISSUE

Did BCBSM properly deny reimbursement for the Petitioner's molecular diagnostic test on March 22, 2007?

IV ANALYSIS

Petitioner's Argument

The Petitioner has a history of microcytic anemia. Thalassemia, a type of anemia, was strongly suspected due to her microcytic anemia and her Italian ethnicity. The Petitioner's primary care physician recommended and the Petitioner received molecule nucleic amplification testing on March 22, 2007, to determine if she had thalassemia.

The Petitioner believes that the test was medically necessary to diagnose her condition and therefore is a covered benefit. She argues that BCBSM is required to pay for this test.

BCBSM's Argument

BCBSM cites provisions in the benefit guide as the basis for its denial. The “Exclusions and Limitations” provision (page 44) excludes coverage for:

- Services and supplies not necessary for the diagnosis or treatment of the illness or injury

* * *

- Services and supplies not medically necessary. For a definition of medical necessity, refer to the *Glossary of Health Care Terms*, page 101-102.

On pages 101-102 the Glossary of Health Terms defines “Medical necessity” as:

Services and treatments that are necessary to treat an illness or injury. Unless otherwise specified, only medically necessary services are covered under the health plan. * * *

According to BCBSM, the molecular diagnostic test the Petitioner received on March 22, 2007, was not medically necessary and therefore not a covered benefit.

Commissioner’s Review

The question of whether the Petitioner’s molecule nucleic amplification test was medically necessary for treatment of the Petitioner’s condition was presented to an IRO for analysis as required by section 11(6) of PRIRA, MCL 550.1911(6). The IRO reviewer is a physician who is board certified in internal medicine, holds an academic appointment, and has been in practice for more than 15 years.

The IRO reviewer noted that the causes for microcytic anemia include iron deficiency, anemia of chronic disease, thalassemia, and sideroblastic anemia, and further noted that thalassemia was suspected in the Petitioner’s case. There were no reported results of an increased red cell count, results of hemoglobin electrophoresis, or results showing target cells, basophilic stippling, poikilocytosis, polychromatophilia, or anisocytosis. The IRO reviewer explained that these tests are the initial studies for evaluation of thalassemia, and should be performed before specific genetic molecular testing.

The IRO reviewer concluded that the Petitioner’s molecular nucleic amplification was not medically necessary in the initial testing for thalassemia and therefore not medically necessary for diagnosis and treatment of her condition.

The Commissioner is not required in all instances to accept the IRO’s recommendation. However, the IRO recommendation is afforded great deference by the Commissioner; it is based on

extensive expertise and professional judgment. The Commissioner can discern no reason why that judgment should be rejected in the present case. Therefore, the Commissioner accepts the conclusion of the IRO and finds that the molecule nucleic amplification test provided to the Petitioner was not medically necessary for diagnosis of her condition and therefore is a not covered benefit under the terms of her coverage.

**V
ORDER**

The Commissioner upholds BCBSM's October 8, 2007, final adverse determination because the Petitioner's molecular nucleic amplification test was not medically necessary for the diagnosis or treatment of her condition.

This is a final decision of an administrative agency. Under MCL 550.1915, any person aggrieved by this Order may seek judicial review no later than sixty days from the date of this Order in the circuit court for the county where the covered person resides or the circuit court of Ingham County. A copy of the petition for judicial review should be sent to the Commissioner of the Office of Financial and Insurance Services, Health Plans Division, Post Office Box 30220, Lansing, MI 48909-7720